



4410-15

## DEPARTMENT OF JUSTICE

### Notice of Lodging of Proposed Consent Decree and Environmental Settlement Agreement Under The Clean Air Act

On March 12, 2018, the Department of Justice lodged a proposed Consent Decree and Environmental Settlement Agreement (“Settlement Agreement”) with the United States Bankruptcy Court for the District of Delaware in *In PES HOLDINGS LLC., et al.*, Civil Action No. 18-10122 (Bankr. D. Del.).

The United States, on behalf of the United States Environmental Protection Agency, filed this Settlement Agreement with PES Holdings, LLC and its Debtor Affiliates (collectively the Debtors),<sup>1</sup> including Debtor Philadelphia Energy Solutions Refining and Marketing LLC (“PESRM”), to resolve a dispute about the obligations and liabilities of PESRM and related parties under the Clean Air Act’s Renewable Fuel Standard program, which requires refiners to blend renewable fuels into gasoline or diesel fuel or obtain Renewable Identification Numbers (“RINs”) to meet Renewable Volume Obligations (“RVOs”). Under the Settlement Agreement, Debtors have agreed (1) to retire a total of 138 million currently held RINs to resolve PESRM’s liability for RVOs prior to the Effective Date of Debtors’ proposed Plan of Reorganization; (2) to retire 64.6 million RINs toward their post-bankruptcy 2018 RVO; and (3) to consent to retirement of RINs on a semiannual basis for their post-Effective Date RVOs through 2022. This obligation will be extended and the company will be subject to stipulated penalties if it fails to meet this obligation.

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<sup>1</sup> Debtors in this matter include: PES Holdings, LLC; North Yard Financing, LLC; North Yard GP, LLC; North Yard Logistics, L.P.; PES Administrative Services, LLC; PES Logistics GP, LLC; PES Logistics Partners, L.P.; PESRM Holdings, LLC; and Philadelphia Energy Solutions Refining and Marketing LLC.

The publication of this notice opens a period for public comment on the Settlement Agreement. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, and should refer to In re *PES Holdings, LLC., et al.*, D.J. Ref. No. 90-5-2-1-10993/1. All comments must be submitted no later than ten (10) days after the publication date of this notice. Comments may be submitted either by e-mail or by mail:

<i>To submit comments:</i>	<i>Send them to:</i>
By e-mail	pubcomment-ees.enrd@usdoj.gov
By mail	Assistant Attorney General U.S. DOJ – ENRD P.O. Box 7611 Washington, D.C. 20044-7611

During the public comment period, the Settlement Agreement may be examined and downloaded at this Justice Department website: <https://www.justice.gov/enrd/consent-decrees>. We will provide a paper copy of the Settlement Agreement upon written request and payment of reproduction costs. Please mail your request and payment to:

Consent Decree Library  
U.S. DOJ – ENRD  
P.O. Box 7611  
Washington, D.C. 20044-7611

Please enclose a check or money order for \$5.25 (25 cents per page reproduction cost) payable to the United States Treasury.

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